UNITED STATES DISTRICT COURT DISTRICT OF NEW HAMPSHIRE

John R. Hamparian, Alan Reid, Robert Scarborough, Anthony C. Lair, and NeoDevices, Inc., Petitioners

v.

Civil No. 05-cv-272-SM

<u>Clay Kennard</u>, Respondent

ORDER

This suit arises from an ongoing dispute among officers, shareholders and directors of NeoDevices, Inc., regarding management of the company. Plaintiffs and defendant are all shareholders of NeoDevices, Inc., and they previously entered into a Shareholders Agreement (as did the corporation itself) which includes a broad-form arbitration clause. That clause subjects to arbitration:

"[a]ny controversy or claim arising out of or relating to this Agreement or the actual or threatened breach thereof or to any dispute between any of the parties to this Agreement whether or not this Agreement is implicated . . . "

The agreement also empowers the arbitrator, <u>inter alia</u>, "to determine all issues involving arbitrability of any dispute

between the parties to this Agreement." Defendant, Clay Kennard, moves to compel arbitration and plaintiffs only half-heartedly object, given the rather broad reach of the Agreement.

Defendant's motion to compel arbitration (document no. 4) is granted. All proceedings in this case are hereby stayed pending arbitration in accordance with the provisions of the Shareholders Agreement between the parties. See Federal Arbitration Act, 9 U.S.C. § 3.

The clerk shall administratively close the case; any party may timely move to reopen the matter following completion of the arbitration proceedings with respect to any process then available.

SO ORDERED.

Leven J. McAuliffe

Chief Judge

August 24, 2005

cc: Michael J. Lambert, Esq. Kerry T. Scarlott, Esq.

Kenneth C. Bartholomew, Esq.